

Financial Statements

Silflex Limited

For the Year Ended 31 December 2016

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Registered number: 2569811

Silflex Limited

Company Information

Directors	Mr MI Lloyd (chairman) Mrs ME Lloyd Mr AW Lloyd
Company secretary	Mr MS Lloyd
Registered number	2569811
Registered office	Summer Hill Works Powell Street Birmingham B1 3DH
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor The Colmore Building 20 Colmore Circus Birmingham B4 6AT

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Statement of Financial Position

As at 31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	7	83,295	105,369
Investments	8	1	1
		<u>83,296</u>	<u>105,370</u>
Current assets			
Stocks	9	573,968	542,857
Debtors	10	1,174,879	1,471,126
Cash at bank and in hand	11	891,614	561,172
		<u>2,640,461</u>	<u>2,575,155</u>
Creditors: amounts falling due within one year	12	(542,578)	(519,752)
Net current assets		<u>2,097,883</u>	<u>2,055,403</u>
Total assets less current liabilities		<u>2,181,179</u>	<u>2,160,773</u>
Provisions for liabilities			
Deferred tax	14	(771)	(1,964)
Net assets		<u><u>2,180,408</u></u>	<u><u>2,158,809</u></u>
Capital and reserves			
Called up share capital	15	10,000	10,000
Profit and loss account	16	2,170,408	2,148,809
Shareholders' funds		<u><u>2,180,408</u></u>	<u><u>2,158,809</u></u>

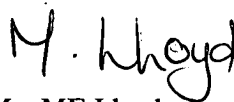
The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The company has opted not to file the Statement of Comprehensive Income in accordance with provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2017.



Mr MI Lloyd
Director



Mrs ME Lloyd
Director

The notes on pages 2 to 12 form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2016

1. Company information

Silflex Limited is a limited liability company incorporated in England and Wales. The registered office address is Summer Hill Works, Powell Street, Birmingham, B1 3DH.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7;
- the requirements of Section 9 Consolidated and Separate Financial Statements.

This information is included in the consolidated financial statements of Currie & Warner (Holdings) Limited as at 31 December 2016 and these financial statements may be obtained from Summer Hill Works, Powell Street, Birmingham, B1 3DH.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the directors.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on the following bases:

Plant and machinery	- Between 5 and 15 years
Fixtures, fittings, tooling and equipment	- Between 4 and 10 years
Motor vehicles	- Between 3 and 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the Statement of Comprehensive Income.

2.5 Operating leases: lessee

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the period of the lease.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 Stocks and work in progress

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on an average basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.13 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

2.14 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

2.15 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Notes to the Financial Statements

For the Year Ended 31 December 2016

2. Accounting policies (continued)

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item recognised directly in equity is also recognised directly in equity.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Significant judgements and estimates

Preparation of the financial statements requires the directors to make significant judgements and estimates, including the following:

Trade debtors

Trade debtors consist of amounts due from customers. An allowance for doubtful debt is maintained for estimated losses resulting from the viability of the company's customers to make required payment. The allowance is based on the company's regular assessment of the credit worthiness and financial conditions of customers.

Stocks

Certain factors could affect the realisable value of the company's stocks, including customer demand and market conditions. The directors consider historic usage, expected demand, anticipated sales price, product obsolescence and other factors when evaluating the value of stock.

4. Auditor's remuneration

	2016 £	2015 £
Auditor's remuneration for the audit of the company's financial statements	5,750	7,150

Notes to the Financial Statements

For the Year Ended 31 December 2016

5. Staff numbers

The average monthly number of employees, including the directors, during the year was as follows:

	2016 No.	2015 No.
Management	7	8
Administration and sales	21	19
Production	82	77
	<u>110</u>	<u>104</u>

6. Directors' remuneration

	2016 £	2015 £
Directors' emoluments	35,218	27,915
Company pension contributions	1,085	677
	<u>36,303</u>	<u>28,592</u>

During the year retirement benefits were accruing to one director (2015 - one) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the Year Ended 31 December 2016

7. Tangible fixed assets

	Plant and machinery £	Fixtures, fittings, tooling and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2016	612,152	438,650	42,650	1,093,452
Additions	2,380	19,348	-	21,728
Disposals	(32,500)	-	(12,000)	(44,500)
At 31 December 2016	582,032	457,998	30,650	1,070,680
Depreciation				
At 1 January 2016	575,533	372,322	40,228	988,083
Charge for the year	12,784	28,596	2,422	43,802
Disposals	(32,500)	-	(12,000)	(44,500)
At 31 December 2016	555,817	400,918	30,650	987,385
Net book value				
At 31 December 2016	26,215	57,080	-	83,295
At 31 December 2015	36,619	66,328	2,422	105,369

Notes to the Financial Statements

For the Year Ended 31 December 2016

8. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	1
At 31 December 2016	1
Net book value	
At 31 December 2016	1
At 31 December 2015	1

The investments consist of 100% of the issued ordinary share capital of Samco Silicone Products Limited, a subsidiary company incorporated in Great Britain and registered at the company's registered office address.

9. Stocks

	2016 £	2015 £
Raw materials	291,188	237,061
Work in progress	8,782	4,257
Finished goods	273,998	301,539
	<u>573,968</u>	<u>542,857</u>

10. Debtors

	2016 £	2015 £
Trade debtors	589,566	610,772
Amounts owed by parent	440,828	735,270
Amounts owed by fellow subsidiaries	99,242	82,469
Prepayments and accrued income	45,243	42,615
	<u>1,174,879</u>	<u>1,471,126</u>

Amounts owed by parent and fellow subsidiaries are repayable on demand. No interest is charged on these balances.

Notes to the Financial Statements

For the Year Ended 31 December 2016

11. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	891,614	561,172

12. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	346,574	344,916
Amounts owed to fellow subsidiaries	11,677	14,744
Amounts owed to subsidiaries	5,000	5,000
Corporation tax	27,727	16,406
Taxation and social security	53,194	33,520
Other creditors	30,844	8,940
Accruals and deferred income	67,562	96,226
	542,578	519,752

Amounts owed to fellow subsidiaries and subsidiaries are unsecured and repayable on demand. No interest is charged on these balances.

13. Financial instruments

	2016 £	2015 £
Financial assets		
Cash and cash equivalents	891,614	561,172
Financial assets measured at amortised cost	1,129,636	1,428,511
	2,021,250	1,989,683
Financial liabilities		
Financial liabilities measured at amortised cost	(461,657)	(373,600)

Cash and cash equivalents comprise cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Financial assets measured at amortised cost comprise trade debtors, amounts owed by parent and amounts owed by fellow subsidiaries.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to fellow subsidiaries, amounts owed to subsidiaries, other creditors and accruals.

Notes to the Financial Statements

For the Year Ended 31 December 2016

14. Deferred taxation

	Deferred tax £
At 1 January 2016	(1,964)
Charged to profit or loss	1,193
At 31 December 2016	(771)

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(1,216)	(2,405)
Other timing differences	445	441
	(771)	(1,964)

15. Share capital

	2016 £	2015 £
Authorised, allotted, called up and fully paid		
10,000 ordinary shares of £1 each	10,000	10,000

Share capital represents the nominal value of shares that have been issued. There are no restrictions attached to the one class of share capital.

16. Reserves

Profit and loss account

The profit and loss account contains all current and prior period retained earnings.

Notes to the Financial Statements

For the Year Ended 31 December 2016

17. Pension commitments

The company participates in a group defined benefit pension scheme which is closed to new entrants and future accrual of benefits. The assets of the scheme are administered by trustees and are held separately from the group. The company is unable to identify its share of the assets and liabilities of the group pension scheme, and has therefore followed the provisions for multi employer schemes within Section 28 of Financial Reporting Standard 102 "Employee Benefits" and not provided for an asset or liability. The company has not obtained and disclosed an asset or liability at 31 December 2016 in accordance with Section 28. Whilst there is no direct relationship with the Section 28 valuation, at the last actuarial valuation prepared as at 5 April 2014 the scheme has a surplus of assets over liabilities amounting to £360,000.

The principal assumption used in the actuarial valuation was that long term investment returns will be 2.9% per annum above inflation.

The company also participates in a group defined contribution scheme, for which the liability is limited to the annual contributions payable. As at 31 December 2016, the total contributions due for payment to the pension provider after the year end were £4,733 (2015 - £4,229).

18. Commitments under operating leases

At 31 December 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £	2015 £
Not later than 1 year	90,500	90,500
Later than 1 year and not later than 5 years	140,875	231,375
	<u>231,375</u>	<u>321,875</u>

19. Parent companies

The immediate parent company is Glenson (Holdings) Limited and the ultimate parent company is Currie & Warner (Holdings) Limited, both of which are incorporated in Great Britain and registered in England and Wales.

The results of the company are incorporated into the consolidated financial statements of Currie & Warner (Holdings) Limited. Copies of these financial statements can be obtained from Summer Hill Works, Powell Street, Birmingham, B1 3DH.

20. Auditor's information

The company's financial statements were audited by Grant Thornton UK LLP. The senior statutory auditor was Natalie Gladwin. The audit report was qualified on the basis that, as more fully explained in note 17 to the financial statements, the financial statements do not contain the required disclosures under Section 28 'Employee Benefits' of FRS 102 in relation to the group's multi employer pension scheme, in which the company participates. As no information was available in respect of assets and liabilities of the scheme at 31 December 2016 or 31 December 2015, it was not possible to quantify the omissions.